

Statement of Estimated State Revenue Impact

Date: February 4, 2013
Bill Number: S.163
Authors: Campbell, McGill, and O'Dell

Committee Requesting Impact: Finance

Bill Summary

TO AMEND SECTION 12-62-50, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE TAX REBATE TO A MOTION PICTURE PRODUCTION COMPANY BY THE SOUTH CAROLINA FILM COMMISSION, SO AS TO PROVIDE THAT THE REBATE MAY NOT EXCEED TWENTY PERCENT OF THE TOTAL AGGREGATE PAYROLL FOR QUALIFYING PERSONS SUBJECT TO INCOME TAX WITHHOLDINGS OF SOUTH CAROLINA AND MAY NOT EXCEED TWENTY-FIVE PERCENT FOR QUALIFYING RESIDENTS OF SOUTH CAROLINA; AND TO AMEND SECTION 12-62-60, AS AMENDED, RELATING TO REBATES TO MOTION PICTURE PRODUCTION COMPANIES, SO AS TO PROVIDE THAT THE DEPARTMENT MAY REBATE UP TO THIRTY PERCENT OF CERTAIN EXPENDITURES.


REVENUE IMPACT ^{1/}

This bill will have no revenue impact on the General Fund or agency other funds.

Explanation

This bill allows additional wage and supplier rebates to motion picture production companies in addition to the rebates allowed in §§12-62-50 and 60. The maximum wage rebate would total up to 20% of aggregate South Carolina payroll and the maximum supplier rebate would total up to 30% for expenditures made in South Carolina by eligible production companies. Temporary budget provisions in Fiscal Years 2006-07 to FY 2011-12 fixed the wage and supplier rebates at the proposed 20% and 30% respectively.

The bill would have no revenue affect on General Fund or agency other funds, as the amount of revenue allocated to these expenditures will not change. Statutorily, the annual amount of the wage rebate is a maximum of \$10 million from the General Fund. Since FY 2010-11, the Destination Specific Tourism Program receives any unexpended funds not refunded as a wage rebate, up to the \$10 million maximum. Similarly, the wage rebates are funded through an allocation of 26% of General Fund admissions tax. This percentage allocation would not change under the proposed legislation. We anticipate no impact on General Fund or agency other fund revenue from this bill.



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Analyst: Shuford

^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.